STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Arizona

Attachment 2.1-A

AHCCCS PREPAID HEALTH PLANS

The following organizations or persons may submit competitive bids to contract with the AHCCCS Administration as a prepaid health plan (PHP):

- A group disability insurer
- A hospital and medical service corporation
- A health care services organization
- Any other appropriate public or private person, including county owned and operated health care facilities, authorized by Arizona Revised Statutes to provide health and medical care services

An AHCCCS contracting prepaid health plan must meet at least the following requirements:

- (1) Be organized primarily for the purpose of providing health care services.
- (2) Make the services it provides to its AHCCCS enrollees as accessible to them (in terms of timeliness, amount, duration, and scope) as those services are to nonenrolled AHCCCS recipients within the area served by the PHP.
- (3) Make provision, satisfactory to the AHCCCS Administration, against the risk of insolvency, and assure that AHCCCS enrollees will not be liable for the PHP's debts if it does become insolvent.
- (4) Comply with the terms and conditions set forth by contract with the AHCCCS Administration.
- (5) Comply with all applicable Federal, State and local laws, rules, regulations, standards and executive orders, without limitation to those designated within the contract with the AHCCCS Administration.
- (6) Comply with provisions of Federal laws and regulations governing the Title XIX program, except for those requirements waived for Arizona by the Health Care Financing Administration.
- (7) Comply with the provisions of Title 36, Chapter 29, Arizona Revised Statutes, governing the Arizona Health Care Cost Containment System, and with all applicable rules promulgated by the AHCCCS Administration.

ADDENDUM COVERAGE AND CONDITIONS OF ELIGIBILITY

CITATION: Page 12 and Attachment 2.2-A, Pages 11 & 17, of the State Plan

In accordance with the terms of waivers granted to the State of Arizona, the State is waived from Federal requirements (42 CFR §§435.217 and 435.231) to enable Arizona to exclude hospitalized individuals and others not requiring long term care services from the optional institutionalized eligibility categories.

EFFECTIVE DATE: 12/19/88